UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/CP/SYR/5
2 March 1992

ORIGINAL: ENGLISH

Thirty-ninth session
4-29 May 1992, Geneva
Item 6 of the provisional agenda

PROGRAMME PLANNING

Country and intercountry programming and projects

# FIFTH COUNTRY PROGRAMME FOR THE SYRIAN ARAB REPUBLIC

| Programme period | Resources | $ |
|---|---|---|
| 1992-1996 | Net IPF | 13 458 000 |
| | Estimated cost-sharing | 7 160 000 |
| | Total | 20 618 000 |

CONTENTS


| | | Paragraphs | Page |
|---|---|---|---|
| I. | DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES ..... | 1 - 7 | 2 |
| | A. Current socio-economic situation ..... | 1 - 4 | 2 |
| | B. National development objectives and strategies .... | 5 - 7 | 3 |
| II. | EXTERNAL COOPERATION ..... | 8 - 13 | 4 |
| | A. Role of external cooperation ..... | 8 - 10 | 4 |
| | B. Aid coordination arrangements ..... | 11 - 13 | 4 |
| III. | THE COUNTRY PROGRAMME ..... | 14 - 70 | 5 |
| | A. Assessment of ongoing country programme ..... | 14 - 18 | 5 |
| | B. Proposals for UNDP cooperation ..... | 19 - 62 | 6 |
| | C. Assistance outside the main country programme areas | 63 - 64 | 16 |
| | D. Implementation and management arrangements ..... | 65 - 70 | 16 |

Annexes

| | | |
|---|---|---|
| I. | Financial summary ..... | 18 |
| II. | Programme matrix ..... | 20 |


92-09495 3002f (E) 270392 *300392*

/...

# I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

## A. Current socio-economic situation

1. The State in the Syrian Arab Republic has traditionally played the dominant economic role within a centrally planned framework of five-year plans. The country's development strategy has stressed reducing economic dependency through achieving self-sufficiency in such key sectors as industry, agriculture and, increasingly, energy. Complementing these efforts have been attempts to raise the basic standard of living of the population through the provision of universal health care, education and essential commodities at subsidized prices.

2. Social indicators suggest that Syria's development efforts have yielded a certain measure of success as reflected in Syria's 1991 Human Development Index ranking which places it among those countries that have achieved levels of medium human development. Specifically, nutritional levels are above average, mortality rates have declined by almost two thirds over the past 20 years and life expectancy at birth is among the highest in the region. Economic indicators have been less consistent, though, with economic growth tending to fluctuate in an alternating pattern over the last few decades. The 1960s witnessed a slowdown or stagnation while the 1970s registered economic acceleration with real gross domestic product (GDP) per capita increasing by 6.4 per cent throughout the period 1970-1980. This changed in the 1980s when, due to falling oil prices and a number of other factors, the decade can be characterized as one of economic stagnation coupled with inflation from 1985-1989. The extent of the economic downturn is revealed by gross national product (GNP) per capita figures which show a sharp decline from a 1983 level of $1,740 to a 1989 level of $980.

3. Syria has entered the 1990s with a set of economic conditions characterized by a new sense of optimism and opportunity, quite different from the austerity which prevailed in the 1980s. Underpinning this sense of optimism have been three important factors: (i) a marked improvement in Syria's economic cooperation at the regional and global levels resulting in renewed or expanded economic ties with its development partners; (ii) potential increase in foreign exchange reserves due to an expansion in oil production to 500,000 barrels a day; and (iii) gradual reactivation of the private sector.

4. Despite previous successes in the social sector, and the recent favourable economic climate notwithstanding, the country continues to face some major economic and development constraints. The Syrian population, currently estimated at about 12.5 million, has been growing at an annual rate of 3.5 per cent. The effects of this high rate of increase have manifested themselves in the form of rapid urbanization, high unemployment and a very young age distribution that has stretched government services to the limit. The public sector is plagued by problems of inefficiency and shortages of qualified technical and managerial staff. Irregular patterns of rainfall contribute to general food insecurity necessitating the use of scarce foreign

exchange to support the food import bill. The economy is hampered by a shortage of funds for development projects despite the recent influx of financing; it is hoped that gradual liberalization of the economy will attract more foreign investment into the country. Although the outlook for the 1990s remains positive, several of these constraints to development as well as structural economic problems need to be addressed in the future.

## B. National development objectives and strategies

5. The broad objectives of the as yet unpublished Seventh Five-Year Plan include: (i) increasing personal income and improving standards of living; (ii) achieving a higher rate of self-sufficiency; (iii) expansion of the role of the private sector; and (iv) reducing the disparity in income and living standards between rural and urban areas. These objectives will be pursued in the context of a gradual liberalization of the economy whose emerging characteristics include the reduction of subsidies, the rationalization of prices, eventual unification of the exchange rate, administrative reform, the improvement of public sector wages and the provision of investment and export incentives to the private sector.

6. In addressing national objectives, a series of sector-based and growth-oriented strategies have traditionally been followed. High priority is given to accelerated agricultural development through the expansion of irrigated agriculture and a more rational utilization of natural resources. In the industrial sector, the strategy followed is to promote industries based on locally produced raw materials, diversify manufacturing through import substitution and orient certain industries towards exports. Further expansion of exports will be realized through increased oil production, reactivation of the private sector and the removal of such structural obstacles as regulatory hindrances and price and wage distortions. The energy sector is another high government priority. Due to increased oil production, together with development of natural gas production, this sector is developing into one of the main earners of foreign exchange for the country totalling an estimated $2 billion in 1991.

7. In addition to the three priority sectors of agriculture, industry and energy, the Government ranks as priority sectors those key services directly linked to economic expansion such as transport and telecommunications. Finally, environmental protection and concern for the sustainability of Syria's development have been assuming increasing importance in recent years; this has been manifested by official policy, most notably the creation of the Commission for Environmental Affairs and the establishment of the High Environmental Council.

## II. EXTERNAL COOPERATION

### A. Role of external cooperation

8. The role of external assistance in Syria's socio-economic development is relatively modest, representing 16.5 per cent of the total investment budget for the years 1990 and 1991. Actual disbursement, however, lagged behind commitments, averaging about 60 per cent.

9. The major donors in Syria over the same period of time were France, Germany, Italy, Japan, Kuwait, Saudi Arabia, the former Union of Soviet Socialist Republics, the United Nations system, the Arab Fund and the European Community.

10. United Nations assistance represented about 2.2 per cent of the total external technical assistance provided to Syria. The sectoral distribution of the external cooperation provided during 1990-1991 was as follows: (i) agriculture and irrigation, 27.6 per cent; (ii) energy, 24.4 per cent; (iii) industry, 20.6 per cent; (iv) social services, 16 per cent; and (v) transport, 11.4 per cent.

### B. Aid coordination arrangements

11. The Government coordinates all external assistance through the State Planning Commission (SPC) which also serves as the focal point for UNDP cooperation.

12. In the programming of external technical cooperation, the SPC coordinates with the line ministries and government departments concerned. Negotiations with donors are conducted by the SPC on a one-to-one basis through annual meetings of the Joint Economic, Technical and Cultural Committees between the Government of Syria and respective donor Governments. All proposals for external assistance are submitted to the Economic Committee, headed by the Deputy Prime Minister for Economic Affairs, for approval by the Prime Minister.

13. With regards to such issues as the harmonization of United Nations system assistance within national programming frameworks, the SPC has established a national Action and Appraisal Committee (AAC) comprised of senior officials from the SPC, the technical ministries and different United Nations bodies and organizations. A process of regular meetings among the members of the Joint Consultative Group on Programming (JCGP) has also been put in place. Finally, in his role as Resident Coordinator, the UNDP Resident Representative is encouraged to meet with bilateral and multilateral development partners for exchange of pertinent information on development assistance programmes with a view to enhancing the effectiveness of external assistance in support of national development objectives.

## III. THE COUNTRY PROGRAMME

### A. Assessment of ongoing country programme

14. The fourth country programme contained five areas of concentration: (i) measures for the development, management and conservation of energy-related natural resources; (ii) strengthening of agricultural production through new scientific and technological approaches; (iii) improvement of industrial production; (iv) acquisition and development of new technologies; and (v) participation of women in development. The actual resource commitments of the fourth country programme corresponded to those originally proposed with the sectoral breakdown of total UNDP assistance of $15.60 million (IPF plus programme cost-sharing) indicating 34.5 per cent for agriculture, 28.4 per cent for energy and 21.1 per cent for industry with the balance of 16.0 per cent for women in development and other areas.

15. Overall impact of the programme varied. The programme was successful in introducing more efficient irrigation methods, assisting the country to attain self-sufficiency in the production of poultry and animal vaccine and introducing informatics into the educational system. National capacity was increased in a number of areas including agricultural extension and cottonseed development. In addition, improvement was seen in citrus production. Continued UNDP cooperation in the energy sector facilitated the changeover from using naptha in fertilizer production to the more efficient and environmentally sound natural gas. Through joint assistance from UNDP, the United Nations Development Fund for Women (UNIFEM) and the Arab Gulf Programme for the United Nations Organizations (AGFUND), 4,000 rural women were provided literacy training while acquiring vocational skills that enabled them to engage in income-generating activities.

16. With varying degrees of success, there were attempts to move towards national execution. While only 2 projects were nationally executed, 18 out of the remaining 25 projects implemented during the fourth country programme were without Chief Technical Advisers and were managed by national project directors.

17. The programme was constrained by a shortage of motivated qualified candidates for counterpart positions and by delays in the provision of adequate logistical support. Project monitoring also experienced some problems in the early stage of the programme but improved considerably thereafter. At the beginning of the programme, too much emphasis was placed on overseas training which resulted in several language and logistical problems. Consequently, several tripartite review meetings and the mid-term review recommended that more emphasis be given to in-country training during the balance of the cycle and during implementation of the fifth country programme.

18. As highlighted by the mid-term review conducted in April 1990, the fourth country programme suffered from being too project-driven with projects identified on a case-by-case basis rather than through a comprehensive, integrated approach derived from clear national priorities. Operationally,

this contributed to imbalances in the programme and an uneven rate of implementation. It was concluded that a programme-oriented approach would have helped to increase the effectiveness, and impact, of UNDP technical cooperation.

## B. Proposals for UNDP cooperation

### 1. Preparatory process

19. The fifth country programme has evolved from a series of reviews, assessments and consultations between the Government, UNDP and a number of United Nations specialized agencies. Beginning in December 1989, a number of project and sectoral reviews were conducted over a four-month period before culminating in the formal mid-term review of the fourth country programme in April 1990. Other activities such as the National Workshop on the Environment in early 1991 provided an opportunity to discuss emerging areas of national priority.

20. A series of programming missions during the latter half of 1991 by such United Nations agencies as the Food and Agriculture Organization of the United Nations (FAO), the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Department of Technical Cooperation for Development (DTCD) and the United Nations Industrial Development Organization (UNIDO) intensified the policy dialogue with various sectoral ministries under the auspices of the SPC. The frank discussions held between the Government and UNDP on the contents and approach in the UNDP Advisory Note were very beneficial in the design of the fifth country programme outlined below.

### 2. Strategy for UNDP cooperation

21. Lessons learnt from implementation of the fourth country programme, together with impetus provided by recent General Assembly resolutions (44/211) and UNDP Governing Council decisions have guided the Government's approach with respect to the utilization of fifth-cycle UNDP resources in support of national development in Syria. In short, priorities for use of UNDP assistance will be given to areas: (i) designated as top national priority by the Government; (ii) in line with UNDP's mandates and specific comparative advantages; and (iii) in clear need of technical cooperation.

22. UNDP cooperation in Syria is perceived as having certain comparative advantages while serving a very valuable function as a point of access for Syria to the expertise, and development experience, embodied in the United Nations system. UNDP's political and sectoral neutrality makes it a particularly important source for independent advice on sensitive policy issues that will be encountered during this critical phase of economic transition. Although the magnitude of UNDP assistance is often small relative to capital assistance, its grant nature and multilateral and interdisciplinary

scope offers flexibility that can be used for catalytic and innovative activities. Equally, the emphasis of UNDP cooperation on capacity-building, national self-reliance and human development makes it a valued long-term development partner of the Government.

23. Major changes in the international economic and political climate have had far-reaching implications on the Syrian economy and have prompted the Government to initiate a process of economic and policy reform. Such circumstances have highlighted the functional comparative advantages of UNDP in Syria; as there is no current national development plan and no detailed national programmes exist, a portion of UNDP cooperation will be policy-oriented and will support the development of national strategies upon which national programmes will be based. This will be complemented by assistance to support the development of policy-making capacity in such areas as the environment. Finally, UNDP's experience in institution-building, training and transfer of technology will be utilized in the implementation of specific components of national programmes as they develop.

### 3. Proposed UNDP cooperation in selected areas of concentration

24. The Government proposes to focus UNDP cooperation on the following three areas of concentration which are regarded as high priorities and for which there exists a clear need for technical cooperation:

(a) Support to economic policy development and management;

(b) Environment and natural resource management; and

(c) Development of rural areas through sustainable agricultural production and human resource development.

25. With respect to other priority concerns of UNDP for the fifth cycle, the theme of technology for development will permeate all areas of concentration with particular emphasis on technologies to enhance public sector efficiency and to increase irrigated agricultural production. Management development will figure prominently in interventions in economic management and environment and natural resources management. Poverty alleviation and grass-roots participation are particularly relevant to the development of rural areas. Technical cooperation among developing countries (TCDC) will be central to all three areas and will assume an increasingly greater role in programme implementation, especially in the context of the subregional orientation of the UNDP Intercountry Programme for Arab States.

26. Women in development will be mainstreamed into each area of concentration. Assistance will also be provided to address such specific areas as the high rate of women's illiteracy in rural areas, a major constraint to greater participation of women in national development. While environment and natural resources management is in itself a separate area of concentration, an environmental and sustainable development dimension will be

incorporated into all development activities using such tools as the UNDP Environmental Management Guidelines.

(a) Support to economic policy development and management

National development objectives

27. While management of the economy has traditionally been the purview of the State through a series of five-year development plans, a policy of liberalization of the economy in which market forces are increasingly encouraged is being gradually introduced. The Government is now committed to the gradual reactivation of the role of the private sector in the process of national economic development as evidenced by the recent introduction of legislation concerning foreign exchange regulations, investment and taxation. This being said, during this period of economic transition, the parameters for economic policy development will still be set by the State while much of economic management will still reside within the public domain.

28. As new economic opportunities emerge for Syria, and as the need for the country to become economically competitive becomes critical, it is clear that during this period of economic transition equal priority must be given to designing and implementing a mixed public/private sector strategy. The emphasis will be on improving the capacity of national institutions responsible for economic management and maximizing the efficiency of the public sector while consolidating the development of a policy and regulatory framework through which the comparative advantages of each sector can be fully utilized.

29. A key area for both private and public sector involvement, and where Syria must become more competitive, is trade. Traditionally defined by bilateral agreements in market areas where little competition existed, recent changes in international economic relations have drastically altered Syria's trade profile and made export development and promotion a priority national development goal. Despite recent decisions to provide incentives to exporters from both the public and private sectors, the trade sector continues to be hindered by several constraints including weak institutional capacity, complicated regulations and procedures and lack of such services as export financing, credit guarantee, packaging, trade statistics and import and export inspection.

30. In addition to opening up the country to international economic relations and the private sector, the Government remains committed to increasing the efficiency of the public sector. Substantial national investment has been made in building an industrial infrastructure led by the public sector. There is a pressing need to reorient the public economic sector on a more competitive basis as it suffers from serious problems including plant obsolescence and shutdowns, low operating capacity rates, high costs of operation and inefficient management.

31. As Syria makes a transition to a liberalized economy, it is important that it has the economic management tools required. Reliable and timely statistical information is desperately needed by policy and decision makers of both the mixed and private sectors. However, the national statistical system lacks up-to-date, comprehensive and reliable frames for statistical surveys and studies and a pressing need exists for the development of a national statistical plan.

Proposed UNDP cooperation

32. In maximizing UNDP's comparative advantages and building the capacity required for efficient economic management in both the public and private sectors, the following five interventions are proposed for UNDP cooperation, in support of the above national objectives:

(i) Development of the trade sector

33. Export expansion is a critical area of economic policy with great potential, particularly given Syria's improving relations with its regional and international development partners within a policy of gradual liberalization of the economy. UNDP cooperation in the conducting of a trade policy review and export potential surveys will contribute to the development of an integrated trade development strategy for Syria based on which a comprehensive national programme for trade expansion can then be developed.

34. UNDP technical cooperation will also go towards building the institutional as well as the human capacity required to implement such a strategy. Specifically, support will be provided to strengthen trade sector institutional infrastructure in both the public and private sectors including the Chambers of Commerce.

35. Related to the Government's objective of opening up the Syrian economy to world markets is developing national capacity in key service areas that will help Syria to better compete internationally. The country has embarked on a large programme to develop its informatics technology and modernize its telecommunications system through sizeable bilateral capital assistance and there is a need to upgrade national capacity in these areas. Consequently, UNDP cooperation will support the development of a comprehensive, multisectoral national training programme in informatics. The Government also requests the continued cooperation of UNDP in the implementation of the telecommunications training plan to the year 2000 already developed under a UNDP-supported project. This cooperation is required to complement the extensive capital already invested in doubling the capacity of the telecommunications network and introducing advanced technological systems.

(ii) Modernization and strengthening of the managerial and productive capacity of the public sector

36. UNDP technical cooperation in this area will aim to build national capacity in public sector management in the context of an increasingly

decentralized system. Emphasis will be placed on the development of appropriate management information and decision-making systems, training in the use of such systems and improved management skills. Assistance will continue to be provided to such key public sector interventions as maintenance of quality control in the food and pharmaceutical industries. Technical cooperation will also be provided to building capacity of national centres/systems to develop high quality products for production by both public and private sector entities. Those given priority include a centre for technology development and a Computer-Aided Design (CAD) Centre for the engineering and textile sectors with support to the former in conjunction with the formulation of a science and technology policy. These centres/systems are expected to promote linkages between the public and the private sectors while providing the private sector with appropriate technology developed through the public industrial sector.

(iii) Support to establishment of an enabling environment for private sector development

37. In parallel with improving the efficiency of the public sector, UNDP cooperation will help develop an environment that will enable the private sector to maximize its contribution to national development objectives. Specifically, UNDP will support a review of the regulatory framework for private sector involvement in such sectors as banking, industry and trade with a view to ensuring their rationalization and simplification. Assistance will also be given to the promotion of small- and medium-scale business establishments through such modalities as business incubators and venture capital funds.

(iv) Formulation of an integrated human resources development strategy

38. The Syrian Government looks upon human resource development, with its emphasis on the individual, as an integral component of its development strategy. It recognizes that, in times of economic and social transition, it is especially important to enhance individual capacity and ability to adapt to changing economic and social circumstances. A key constraint to fulfilling this objective, though, is the lack of a coordinated national approach to human resources development. This has resulted in imbalances in human resource requirements and has led both to skill deficiencies in such key economic sectors as agriculture and industry as well as to gender imbalances with adverse consequences for women.

39. UNDP cooperation will be used to support the development of a human resources development strategy that will serve as a key economic policy tool to help address the problem of increasing unemployment and to build capacity required to evaluate evolving human resource requirements on a comprehensive national basis. UNDP will support the undertaking of a national human resources assessment covering the main economic sectors of industry, agriculture and services followed by more specific studies of needs with an emphasis on the potential role of the private sector.

(v) Strengthening the national statistical system

40. Under this component it is envisioned that UNDP will support: (i) strengthening the institutional framework and structure of the national statistical system; (ii) standardization and improvement of data flows within the system and to users; (iii) establishment of and support to implementation of a multi-year statistical plan; and (iv) reorganization and development of statistical training facilities.

Expected impact

41. UNDP's intervention in economic policy development and management should result in increased national capacity required for export trade development; additional trained personnel in trade-related infrastructural areas; improved and decentralized management of the public industrial sector; enhancement of the regulatory ability of the Government, particularly with regard to quality control; transfer of selected and high-impact technologies to the benefit of both the public and the private sectors; contribution towards the creation of an enabling environment for an effective, real and sustainable private participation in the country's development efforts; improved national capacity to analyse human resource requirements; and enhanced and better coordinated statistical capacity required to determine economic policy.

Complementary assistance

42. The Syrian private sector as represented by various Chambers of Commerce will not only be a beneficiary of support but also a financial contributor. The private sector will also be co-financing certain aspects of proposed support to trade sector development. It is expected that Special Programme Resources (SPR) will be provided through UNDP's Management Development Programme for improving the efficiency of the public sector. UNDP support to the development of a national statistical system will serve as the core of the Government's statistical programme and will incorporate inputs from other donors, most notably the United Nations Population Fund (UNFPA), which is involved in the improvement of civil registration and vital statistics and has proposed both a demographic survey and a regional initiative for the development of a Pan Arab Maternal and Child Health Survey which is also supported by the United Nations Children's Fund (UNICEF), AGFUND and the Arab League.

43. While $9.59 million or 47 per cent of total fifth country programme resources have been earmarked for economic policy development and management, allocations will be very flexible in order to respond to changing national priorities during this period of economic transition.

(b) Environment and natural resources management

National development objectives

44. Due to mounting population and development pressures on scarce natural resources, top priority is given to the environmentally sound management of

Syria's natural resource base and to building the national capacity required to better integrate environmental concerns into development policy-making. There is an urgent requirement to develop the capacity of the Government to delineate strategies and policies that will ensure that the design of sector development programmes are environmentally sound and sustainable. Specifically, the most critical natural resource factors in the development of Syria are water and land and both must be managed for development purposes in a sustainable manner.

Proposed UNDP cooperation

45. As recommended by the mid-term review of the fourth country programme and the March 1991 National Workshop on Environment, UNDP's comparative advantages of a multisectoral and interdisciplinary approach and global experience in environment and sustainable development will be utilized to provide both strategic and capacity-building support to environmental and natural resource management in Syria. A total of $4.6 million or 22 per cent of total programme resources has been earmarked for the following two components:

(i) Environmental management planning

46. UNDP cooperation in this area will be of a strategic nature through the provision of support to the development of a comprehensive environmental action plan and to building the institutional and human capacity required to implement such a plan. Technical cooperation will be provided for assessing the major environmental issues facing the country, identifying priority programmes and designing a comprehensive environmental action plan that will provide the basis for a national strategy for environment and development as well as a framework for environmentally sound investment by national, bilateral and multilateral sources of capital.

47. In parallel, institutional support will be provided to the newly created Commission of Environmental Affairs (CEA) in order to strengthen its ability to integrate environmental concerns into overall national development decision-making. As environmental issues run across political boundaries, environmental planning must also be determined in the context of regional and interregional priorities. UNDP support, therefore, will also be targeted at building national capacity so that Syria can fully participate in efforts addressing these world-wide environmental concerns.

(ii) Water and land resources management

48. The Government has adopted a comprehensive approach to developing and managing water resources and in this context has requested the European Community (EC) to support the preparation of a comprehensive water resources study. With a significant percentage of the country's water resources utilized for irrigation, UNDP cooperation will continue to be used to improve the efficiency of water use in irrigated agriculture. Specifically, UNDP support will build the institutional capacity of the Directorate of Water Management in the Ministry of Agriculture and Agrarian Reform (MAAR) required

to better manage water resources utilized for irrigation purposes. The proposed water resources plan will help to identify areas of potentially high impact for capital investment and technical cooperation for which UNDP assistance may also be utilized.

49. Given the country's dependence on agriculture, sustainable management of land resources must by necessity also be a top environmental priority as sustainable food production and increased food security depend on proper dryland cultivation in an ecosystem sensitive to climatic changes. In order to promote better land management, UNDP will support the Government's plans to establish an effective land use classification system using Geographical Information Systems (GIS) and appropriate management information systems. This support will be channelled towards the preparation of area-specific agricultural plans and building capacity required to monitor their implementation.

Expected impact

50. Primary indicators of achievement will be the completion of a comprehensive action plan, a precursor to a national strategy on environmental management; development of a framework for environmentally sound investment decisions; increased management and planning capacities of the CEA including development of mechanisms for liaison with other concerned government authorities; and installed national capacity capable of determining and coordinating overall policy on the environment complete with a greater awareness of the regional context. UNDP assistance in water and land management should result in a significant reduction in the volume of water used for irrigation purposes and improved capacity for preparation of environmentally sound land use policies.

Complementary assistance

51. Building national capacity in environmental management will enable Syria to better benefit from the numerous UNDP regional environmental programming initiatives such as the Mediterranean Environmental Technical Assistance Programme (METAP) and the Centre for Environment and Development for the Arab States and Europe (CEDARE). As indicated, the EC is providing support to the completion of a water resources management plan that will help determine future bilateral and multilateral assistance including that of UNDP. All the JCGP partners have also shown an interest in complementing UNDP efforts in addressing environmental concerns.

(c) Development of rural areas through sustainable agricultural production and human resources development

National development objectives

52. Although there is no published development plan, a critical national development priority is to counter the rapid rate of migration from rural areas to already overcrowded urban centres. Such migration has put a

tremendous strain on government services. In order to counter this tendency, priority is given to increasing rural incomes and decreasing the disparity in living standards between rural and urban areas through human resources development. Rural areas constitute a priority target for human resource development, particularly given the importance of agriculture to the economy, the higher growth rate of the rural population and the continued increase in migration from rural to urban areas. The present strategy of the Government in tackling the problem of rural-urban disparity emphasizes programmes targeted at specific groups and reorientation of sectoral development programmes so that they have maximum impact on the lives of rural populations.

UNDP cooperation

53. In line with the experience of UNDP during the fourth cycle, and the advantages of its multisectoral, interdisciplinary approach, UNDP will provide assistance to the following areas in close association with its JCGP partners and other donors:

(i) Increased rural incomes through sustainable agricultural production

54. With agriculture providing almost 25 per cent of total GDP, and one quarter to one third of total employment, it is clear that a key to raising incomes of rural residents, as well as meeting the food and employment requirements of a growing population, is an expansion of agricultural production to greater and sustainable levels. One key element to this strategy is the expansion of irrigated cultivation; droughts in both 1987 and 1989 resulted in a declining national GDP of 10 to 15 per cent while in 1988 ample rainfall resulted in real GDP expanding by about 12 per cent. While UNDP is supporting expansion of irrigated agriculture and more efficient on-farm water management under its support to the environment, complementary assistance will be provided to the dissemination of high-yielding technologies under irrigated conditions through a strengthened research and extension system.

55. UNDP support for sustainable agricultural production will also focus on increasing yields under rainfed agriculture using applied research and innovative extension methodologies, including more efficient supplementary irrigation systems and integrated pest management. Support may also be provided to such key agricultural activities as olive production and processing and livestock development that would most directly affect the income of small- and medium-sized farmers.

(ii) Human resources development in rural areas

56. Among the many pressing human resource development needs in rural areas, the following have been highlighted as having the greatest potential impact: expansion of rural education; reduction of women's illiteracy; and stabilization or reduction of high population growth rates.

57. Within the framework of its nine-year compulsory education programme, the Government is committed to expanding access to basic education, reorienting

education in rural areas as well as strengthening the role of the village school to undertake certain developmental activities based on the needs of rural populations. UNDP, in close cooperation with its JCGP participating agencies UNICEF, UNFPA and the World Food Programme (WFP), will support rural education programmes that will provide individuals and communities with specific agricultural and vocational skills required for the betterment of their lives and for sound and sustainable development of rural areas. National assessments of the agricultural sector highlight the shortage of trained technicians as a key constraint to enhanced rural development. Support will be provided to strengthen agricultural education, curriculum development and teacher training in agricultural institutions.

58. Low female literacy rates are seen as a critical constraint to enhanced participation of women in rural development. UNDP and its JCGP partners are supporting a number of measures to enhance rural women's participation in development including expanded access to health services, adult education, family planning, basic agricultural training and the enhancement of women's productive activities through training in new technologies. The core of UNDP's intervention in this area will be the continuation of its current assistance to women's literacy and vocational training as well as the creation, in association with UNIFEM, of a Technological and Livelihood Centre similar to the highly successful model in the Philippines.

59. It is recognized that efforts to enhance the quality of rural life can only have a meaningful impact if the country's high population growth rate is effectively reduced. Areas highlighted for UNDP support include both policy interventions such as assessing the environmental consequences of high population growth as well as community interventions such as support to utilization of agricultural extension centres to disseminate information on family planning to rural communities. It is also proposed that UNDP support to development of a national statistical database be expanded to incorporate population variables, as well as human development variables, into key areas of national policy development.

60. Approximately $3.6 million or 18 per cent of total resources have been earmarked for human resources development in rural areas.

Expected impact

61. Indicators of achievement include decrease in migration from rural to urban areas; improved standards of living of rural populations; increased rural incomes, particularly for small- and medium-scale farmers; higher quality of domestic food production as well as export crops; increased rates of rural education; lowering of illiteracy rates of rural women; and stabilization or reduction of the current high birth rate.

Complementary assistance

62. National efforts to increase agricultural production will be supported by a number of regional UNDP initiatives including Regional Network for

Supplementary Irrigation and Improved Water Management at the Farm Level, Barley Production and Rangeland Management. Within the UNDP-administered funds, UNIFEM has been co-financing the rural women literacy and vocational training programme with UNDP and AGFUND and intends to co-finance the proposed Livelihood Resource Centre. The JCGP partners in general have all shown interest in complementing the proposed activities in the area of literacy and vocational education, environment, family planning and other related activities designed to mitigate the rapid population growth. UNFPA has a major $11 million programme over the next four years to support national efforts in the population area.

### C. Assistance outside the main country programme areas

63. As most external assistance provided to Syria is in the form of concessionary loans, there is a plethora of specific priority needs that require technical assistance, most of which must come from the United Nations system. Consequently, an unprogrammed reserve is being established to respond to technical assistance needs which fall outside the scope of the areas of concentration of the fifth country programme but which are also considered to be of urgent priority by the Government. For example, to meet the growth requirements for qualified aviation personnel and to maintain international technological and safety standards, the Government may utilize UNDP assistance under this area to strengthen the civil aviation training centre.

64. This reserve will also be used to provide support to the implementation of the country programme through such mechanisms as the transfer of knowledge through expatriate nationals (TOKTEN) and short-term consultancies and training so as to enhance the effectiveness and impact of UNDP technical cooperation and the programming activities of its JCGP partners as appropriate. It is expected that this reserve will not exceed 13 per cent of total UNDP resources.

### D. Implementation and management arrangements

65. The fifth country programme has been formulated to the maximum extent possible to reflect a more focused and impact-oriented programmatic approach to UNDP technical cooperation. Nevertheless, in the absence of a national development plan and detailed programmes and sectoral plans and strategies, it is not possible to follow a comprehensive programme approach which uses detailed national programmes as the framework for technical cooperation. However, by providing support to the development of national strategies in the select priority areas of trade, national statistics, human resources development and environment, from which national programmes will be derived, the fifth country programme will assist the Government to move towards a programme approach. UNDP will further enhance this process by financing the implementation and/or monitoring of specific components of national programmes as they develop. An important feature of programme-oriented development cooperation is the UNDP role in mobilizing and coordinating resources in support of national development objectives.

66. The goals of integration of UNDP technical cooperation into the national development strategy, promotion of self-reliance and increased national capacity will not be attained without the Government taking a lead in the implementation of the programme. Consequently, despite limited experience during the fourth cycle, the fifth cycle is regarded as an opportunity to extend national execution. To this end, the Government has formed a joint committee with UNDP to monitor the progress of national execution and assess its suitability as a preferred modality for execution of proposed activities. With a view to facilitating increased national execution and building the requisite capacity, a national workshop on national execution will be held in Syria in early 1992. At the same time, the United Nations specialized agencies will continue to play a key role in their respective areas of expertise by assisting in the process of strategy formulation, programme assessment, evaluation, and implementation of specific technical components as appropriate.

67. In order to enhance the quality and impact of technical cooperation, increased use of such mechanisms as the TOKTEN and the United Nations International Short-Term Advisory Resources (UNISTAR) programmes will be encouraged. Experience from the fourth cycle indicates that there is now an appreciation of TOKTEN and an expectation that its use will grow to the point where its activities can be integrated into mainstream UNDP activities.

68. As noted, links between the fifth country programme and the UNDP Inter-Country Programme for Arab States will be encouraged; subregional activities are expected to reinforce national interventions in a number of areas such as water resources management, environment and trade.

69. Improved monitoring and evaluation will play an essential role in enhancing the quality and effectiveness of UNDP technical cooperation in Syria. A mid-term review of the programme is scheduled for mid-1994 and every effort should be made to maintain this timing so that adjustments can be made to the programme in response to changing or emerging national priorities.

70. In the absence of specific national programmes, indicators of achievement included in the fifth country programme document are by necessity only indicative and are related to the achievement of national objectives rather than specific contributions by UNDP. It is expected that more specific programme-level indicators will be elaborated as national programmes are developed.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

(Thousands of dollars)

| | | |
|---|---|---|
| Carry-over from fourth cycle IPF | 1 664 a/ | |
| Fifth cycle IPF | 11 794 | |
| Subtotal IPF | | 13 458 |
| Project cost-sharing Government/third party | 4 211 | |
| Programme cost-sharing | 2 949 | |
| Subtotal | | 7 160 b/ |
| TOTAL | | 20 618 |

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

| Area of concentration | IPF | Cost-sharing | Total | Percentage of total resources |
|---|---|---|---|---|
| Support to economic policy development and management | 6 261 | 3 331 | 9 592 | 47.0 |
| Environment and natural resources management | 3 001 | 1 597 | 4 598 | 22.0 |
| Development of rural areas through sustainable agricultural production and human resources development | 2 357 | 1 254 | 3 611 | 18.0 |
| Subtotal | 11 619 | 6 182 | 17 801 | 87.0 |
| Unprogrammed reserve | 1 839 | 978 | 2 817 | 13.0 |
| TOTAL | 13 458 | 7 160 | 20 618 | 100.0 |

III. COMPLEMENTARY ASSISTANCE FROM OTHER RESOURCES USED IN AREAS OF CONCENTRATION c/

(Thousands of dollars)

| | | |
|---|---|---|
| A. UNDP-administered funds | | |
| SPR (Management Development Programme) | 400 | |
| UNIFEM d/ | - | |
| Subtotal | | 400 |
| B. Other United Nations resources | | |
| JCGP participating agencies | | |
| UNFPA | 4 847 | |
| UNICEF | 95 | |
| Subtotal | | 5 342 |
| C. Non-United Nations resources | | |
| EC | 1 000 | |
| Subtotal | | 1 000 |
| TOTAL | | 6 742 |

a/ This figure is based on latest revisions as of 31 December 1991.

b/ This figure includes project and third-party cost-sharing as well as programme cost-sharing and is based on the same percentage of total cost-sharing to IPF as in the fourth cycle.

c/ This table includes only assistance that will be directly complementary to UNDP interventions in the selected areas of concentration and does not include assistance allocated through the World Food Programme.

d/ The exact amount of the UNIFEM contribution to future UNDP activities in the area of women's literacy and vocational training will be determined by mid-1992.

Annex II

PROGRAMME MATRIX

| Area of concentration | Area of focus a/ | | | | | |
|---|---|---|---|---|---|---|
| | Poverty eradication | Environment and natural resource management | Management development | Transfer of technology | TCDC | Women in development |
| SUPPORT TO ECONOMIC POLICY DEVELOPMENT AND MANAGEMENT | | | | | | |
| Development of the trade sector | | | * | * | * | |
| Modernization and strengthening of the managerial and productive capacity of the public sector | | | * | * | | |
| Support to establishment of an enabling environment for private sector development | | | * | | | |
| Formulation of an integrated human resources development strategy | | | * | | | * |
| Strengthening the national statistical system | | * | * | | | * |
| ENVIRONMENT AND NATURAL RESOURCES MANAGEMENT | | | | | | |
| Environmental management planning | | * | * | * | * | |
| Water and land management | * | * | * | | * | |
| DEVELOPMENT OF RURAL AREAS THROUGH SUSTAINABLE AGRICULTURAL PRODUCTION AND HUMAN RESOURCE DEVELOPMENT | | | | | | |
| Increased rural incomes through sustainable agricultural production | * | * | * | * | | |
| Human resources development in rural areas | * | * | * | * | * | * |

* Asterisks indicate major linkage only.